

Division of Financial Management

Analyst: Headlee

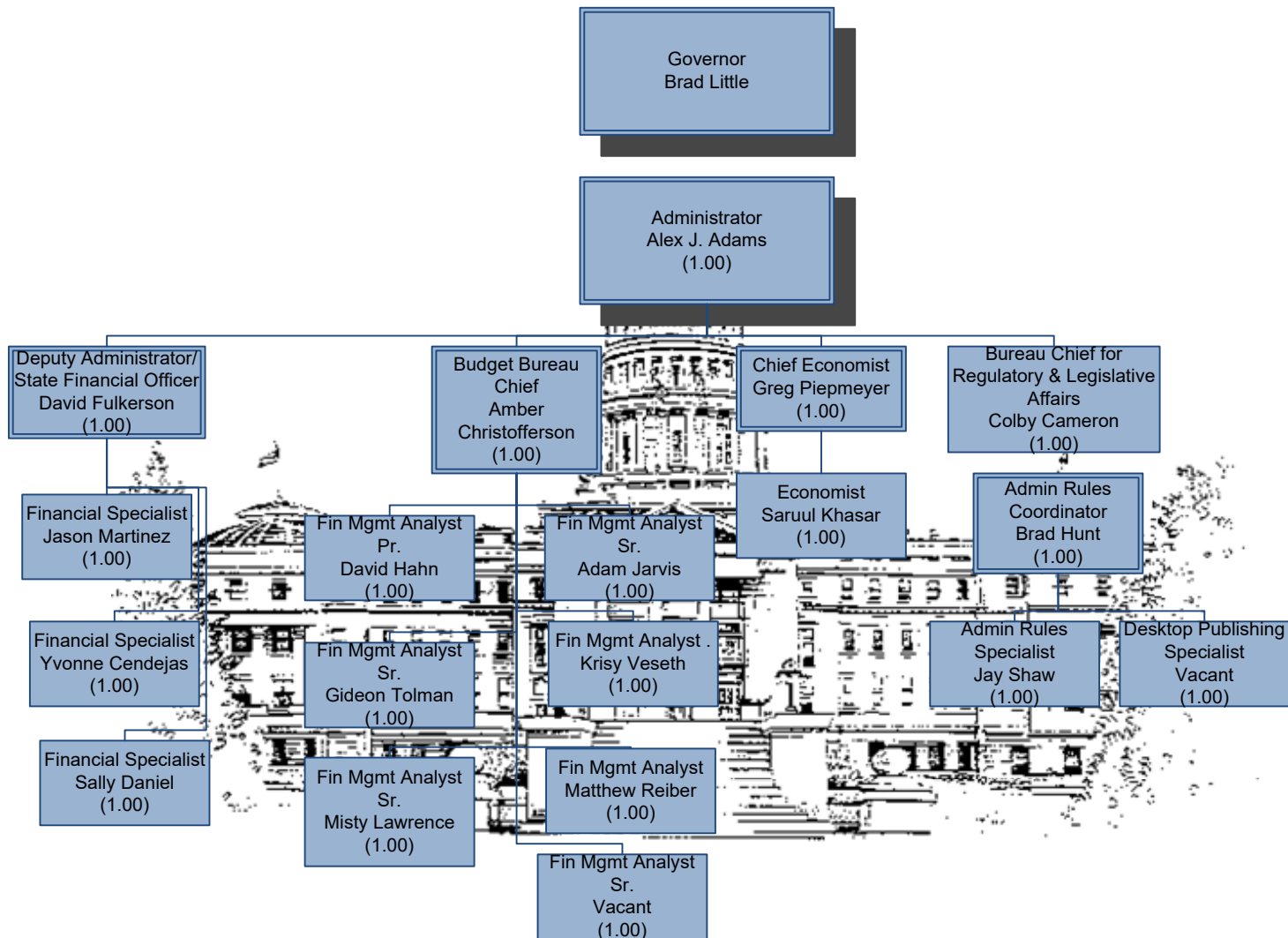
Historical Summary

OPERATING BUDGET	FY 2020 Total App	FY 2020 Actual	FY 2021 Approp	FY 2022 Request	FY 2022 Gov Rec
BY FUND CATEGORY					
General	1,940,500	1,798,500	1,980,100	1,993,400	1,985,900
Dedicated	539,800	421,100	634,000	646,000	643,300
Total:	2,480,300	2,219,600	2,614,100	2,639,400	2,629,200
Percent Change:		(10.5%)	17.8%	1.0%	0.6%
BY OBJECT OF EXPENDITURE					
Personnel Costs	2,055,200	1,866,000	2,163,500	2,219,300	2,209,100
Operating Expenditures	425,100	326,800	450,600	420,100	420,100
Capital Outlay	0	26,800	0	0	0
Total:	2,480,300	2,219,600	2,614,100	2,639,400	2,629,200
Full-Time Positions (FTP)	18.00	18.00	19.00	19.00	19.00

Division Description

The mission of the Division of Financial Management (DFM) is to support the Governor's vision of short and long-term policies through effective resource allocation. DFM seeks to improve agency service delivery at the point of citizen impact by developing, monitoring, and publicizing performance outcomes, facilitating the development of the executive budget recommendation, and providing a proactive policy resource for the Governor to shape Idaho's future. The division consists of four main administrative units: Budget, Economic Analysis, Management Services, and Regulatory and Legislative Affairs, which includes the Office of the Administrative Rules Coordinator. Statutory Authority: Sections 67-1910 through 1918, Idaho Code, and Section 67-5202, Idaho Code.

Executive Office of the Governor Division of Financial Management



Total Division FTP: 19.0
Total Vacant FTP 1

Financial Management, Division of

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FY 2020 Actual Expenditures by Division

		FTP	PC	OE	CO	T/B	LS	Total
0.30 FY 2020 Original Appropriation								
0001-00	Gen	14.65	1,770,500	193,100	0	0	0	1,963,600
0349-00	Ded	0.35	40,200	32,100	0	0	0	72,300
0475-05	Ded	3.00	268,200	199,900	0	0	0	468,100
Totals:		18.00	2,078,900	425,100	0	0	0	2,504,000
0.44 Rescissions								
0001-00	Gen	0.00	(3,500)	0	0	0	0	(3,500)
0349-00	Ded	0.00	(100)	0	0	0	0	(100)
0475-05	Ded	0.00	(500)	0	0	0	0	(500)
Totals:		0.00	(4,100)	0	0	0	0	(4,100)
0.45 Omnibus Decisions								
0001-00	Gen	0.00	(19,600)	0	0	0	0	(19,600)
Totals:		0.00	(19,600)	0	0	0	0	(19,600)
1.00 FY 2020 Total Appropriation								
0001-00	Gen	14.65	1,747,400	193,100	0	0	0	1,940,500
0349-00	Ded	0.35	40,100	32,100	0	0	0	72,200
0475-05	Ded	3.00	267,700	199,900	0	0	0	467,600
Totals:		18.00	2,055,200	425,100	0	0	0	2,480,300
1.21 Net Object Transfer								
0001-00	Gen	0.00	(50,100)	26,200	23,900	0	0	0
0475-05	Ded	0.00	0	(2,900)	2,900	0	0	0
Totals:		0.00	(50,100)	23,300	26,800	0	0	0
1.61 Reverted Appropriation								
0001-00	Gen	0.00	(117,900)	(24,100)	0	0	0	(142,000)
0349-00	Ded	0.00	(21,100)	(27,000)	0	0	0	(48,100)
0475-05	Ded	0.00	(100)	(70,500)	0	0	0	(70,600)
Totals:		0.00	(139,100)	(121,600)	0	0	0	(260,700)
2.00 FY 2020 Actual Expenditures								
0001-00	Gen	14.65	1,579,400	195,200	23,900	0	0	1,798,500
	General		1,579,400	195,200	23,900	0	0	1,798,500
0349-00	Ded	0.35	19,000	5,100	0	0	0	24,100
	Miscellaneous Revenue		19,000	5,100	0	0	0	24,100
0475-05	Ded	3.00	267,600	126,500	2,900	0	0	397,000
	Administrative Code		267,600	126,500	2,900	0	0	397,000
Totals:		18.00	1,866,000	326,800	26,800	0	0	2,219,600
Difference: Actual Expenditures minus Total Appropriation								
0001-00	Gen		(168,000)	2,100	23,900	0	0	(142,000)
	General		(9.6%)	1.1%	N/A	N/A	N/A	(7.3%)
0349-00	Ded		(21,100)	(27,000)	0	0	0	(48,100)
	Miscellaneous Revenue		(52.6%)	(84.1%)	N/A	N/A	N/A	(66.6%)
0475-05	Ded		(100)	(73,400)	2,900	0	0	(70,600)
	Administrative Code		0.0%	(36.7%)	N/A	N/A	N/A	(15.1%)
Difference From Total Approp			(189,200)	(98,300)	26,800	0	0	(260,700)
Percent Diff From Total Approp			(9.2%)	(23.1%)	N/A	N/A	N/A	(10.5%)

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Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2021 Original Appropriation	19.00	1,980,100	2,614,100	19.00	1,980,100	2,614,100
1. Legal Notice for Rule Making	0.00	17,000	17,000	0.00	17,000	17,000
FY 2021 Total Appropriation	19.00	1,997,100	2,631,100	19.00	1,997,100	2,631,100
Executive Holdback	0.00	(99,000)	(99,000)	0.00	(99,000)	(99,000)
FY 2021 Estimated Expenditures	19.00	1,898,100	2,532,100	19.00	1,898,100	2,532,100
Removal of Onetime Expenditures	0.00	(50,400)	(50,400)	0.00	(50,400)	(50,400)
Restore Rescissions	0.00	99,000	99,000	0.00	99,000	99,000
FY 2022 Base	19.00	1,946,700	2,580,700	19.00	1,946,700	2,580,700
Benefit Costs	0.00	28,700	36,400	0.00	5,400	6,700
Statewide Cost Allocation	0.00	2,300	2,900	0.00	2,300	2,900
Change in Employee Compensation	0.00	15,700	19,400	0.00	31,500	38,900
FY 2022 Total	19.00	1,993,400	2,639,400	19.00	1,985,900	2,629,200
Change from Original Appropriation	0.00	13,300	25,300	0.00	5,800	15,100
% Change from Original Appropriation		0.7%	1.0%		0.3%	0.6%

Part I – Agency Profile

Agency Overview

The Division of Financial Management serves as the Governor's budget office and is part of the Executive Office of the Governor. The Division is committed to helping state government provide effective and efficient services to the people of the State of Idaho. The Division has a total of 15 full-time positions located within three bureaus: Budget Bureau, Economic Analysis Bureau, and Management Services Bureau. These bureaus work closely with one another and the rest of state government to provide fiscal guidance, oversight, and management services on behalf of the Governor. The Division is located in the Borah building.

Core Functions/Idaho Code

- Statewide policy development, implementation, and monitoring.
- Budget development and oversight.
- Revenue forecasting and economic analysis.
- Fiscal policy development, implementation, and oversight.
- Development and administration of the annual statewide indirect cost allocation plan.

The statutory authority for the Division of Financial Management is Idaho Code 67-35.

Revenue and Expenditures

Revenue	FY 2017	FY 2018	FY 2019	FY 2020
General Fund	\$1,769,800	\$1,857,400	\$1,887,500	\$1,920,900
Miscellaneous Revenue	\$45,000	\$70,900	\$71,200	\$49,900
Administrative Rules				\$935,100
Total	\$1,814,800	\$1,928,200	\$1,958,700	\$2,905,900
Expenditures	FY 2017	FY 2018	FY 2019	FY 2020
Personnel Costs	\$1,518,200	\$1,586,100	\$1,639,600	\$1,866,100
Operating Expenditures	\$197,100	\$218,900	\$250,700	\$326,800
Capital Outlay	\$27,100	\$1,500	\$10,700	\$26,800
Trustee/Benefit Payments	\$0	\$0	\$0	\$0
Total	\$1,742,400	\$1,806,500	\$1,901,000	\$2,219,700

Profile of Cases Managed and/or Key Services Provided

Cases Managed and/or Key Services Provided	FY 2017	FY 2018	FY 2019	FY 2020
Total General Fund Available	\$3,351,600,800	\$3,595,469,700	\$4,084,145,500	\$4,066,544,300
Total General Fund Appropriation	\$3,278,178,300	\$3,477,111,400	\$3,910,354,400	\$3,937,682,900

Red Tape Reduction Act

Each agency shall incorporate into its strategic plan a summary of how it will implement the Red Tape Reduction Act, including any associated goals, objectives, tasks, or performance targets. This information may be included as an addendum.

	As of July 1, 2019	As of July 1, 2020
Number of Chapters	N/A	N/A
Number of Words	N/A	N/A

	As of July 1, 2019	As of July 1, 2020
Number of Restrictions	N/A	N/A

Part II – Performance Measures

Performance Measure		FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Goal 3						
<i>Help the Governor by developing and implementing sound executive branch statewide policies and ensuring timely and consistent application.</i>						
1. Median number of business days for analyst to recommend/not recommend grant requests	actual	2	1	1	1	-----
	target	<5	<5	<5	<5	<5
2. Percentage of agencies for which encumbrance request is reviewed by SCO deadline	actual	100%	100%	100%	100%	-----
	target	100%	100%	100%	100%	100%
3. Percentage of memos released by established deadline	actual	80%	60%	60%	25%	-----
	target	100%	100%	100%	100%	100%
Goal 1						
<i>Assist agencies with budget requests, oversee Executive Budget development, and monitor budget implementation.</i>						
4. Percentage of agency budget recommendations finalized by December 24 th each year	actual	0%	78%	0%*	100%	-----
	target	90%	90%	90%	90%	90%
Goal 2						
<i>Accurately forecast, explain, and monitor General Fund revenues by source and provide meaningful analysis on matters of economic concern to policy makers and the public of Idaho</i>						
5. Percentage differences between year-end General Fund revenues and most recent revenue forecast	actual	+ 2.8%	+ 2.8%	-0.4%	1.8%	-----
	target	+/- <5%	+/- <5%	+/- <5%	+/- <5%	+/- <5%
6. Percentage of publications released by established deadline	actual	94%	100%	100%	100%	-----
	target	100%	100%	100%	100%	100%
Goal 5						
<i>Provide effective management for the State of Idaho on all inter- and intra-governmental financial issues</i>						
7. Number of audit exceptions for agencies using DFM as a fiscal agent	actual	0	1	1*	0	-----
	target	0	0	0	0	0

Performance Measure Explanatory Notes

Goal 3: memo's delayed due to current pandemic and economic situation in order to provide best guidance available for the current situation.

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Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2021 Original Appropriation					
The Legislature funded two line items for FY 2021: These included 1.00 FTP and \$109,900 to create an administrative rules compliance coordinator position; and \$30,000 onetime for programming updates to the Executive Agency Legislative System, DFM Forms, and the Budget Development System.					
	19.00	1,980,100	634,000	0	2,614,100

1. Legal Notice for Rule Making

This supplemental request is for \$17,000 onetime from the General Fund to cover the costs of publishing the September 16, 2020, Volume 20-9SE, Summary of Proposed Rulemaking. Publishing these rules is required per Section 67-5221 (2)(a) and (b), Idaho Code. Because the rules were not reauthorized by the Legislature at the end of the 2020 session, the costs for publishing the rules were not anticipated when appropriations were made. This notice was published in 38 newspapers across the state.

Agency Request	0.00	17,000	0	0	17,000
Governor's Recommendation	0.00	17,000	0	0	17,000

FY 2021 Total Appropriation					
Agency Request	19.00	1,997,100	634,000	0	2,631,100
Governor's Recommendation	19.00	1,997,100	634,000	0	2,631,100

Executive Holdback

This adjustment reflects a 5% temporary reduction in General Fund spending authority (holdback) for FY 2021 issued through Executive Order No. 2020-14. This reduction is restored as a base adjustment in FY 2022, below.

Agency Request	0.00	(99,000)	0	0	(99,000)
Governor's Recommendation	0.00	(99,000)	0	0	(99,000)

FY 2021 Estimated Expenditures					
Agency Request	19.00	1,898,100	634,000	0	2,532,100
Governor's Recommendation	19.00	1,898,100	634,000	0	2,532,100

Removal of Onetime Expenditures

This action removes onetime expenditures for programming updates to the DFM budget system and for payments to the Office of Information Technology Services for servers and licensing.

Agency Request	0.00	(50,400)	0	0	(50,400)
Governor's Recommendation	0.00	(50,400)	0	0	(50,400)

Restore Rescissions

This adjustment restores the 5% General Fund holdback removed as a current year expenditure adjustment, above.

Agency Request	0.00	99,000	0	0	99,000
Governor's Recommendation	0.00	99,000	0	0	99,000

FY 2022 Base					
Agency Request	19.00	1,946,700	634,000	0	2,580,700
Governor's Recommendation	19.00	1,946,700	634,000	0	2,580,700

Benefit Costs

Employer-paid benefit changes include an 11% increase (or \$1,280 per eligible FTP) for health insurance, bringing the total appropriation to \$12,930 per FTP. Also included is a restoration of the unemployment insurance rate, a partial restoration of the unused sick leave rate, and adjustments to workers' compensation that vary by agency.

Agency Request	0.00	28,700	7,700	0	36,400
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The Governor recommends no increase for health insurance due to fewer claims than expected and a one-year holiday for employers who contribute to the PERSI-managed sick leave plan.

Governor's Recommendation	0.00	5,400	1,300	0	6,700
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Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
Statewide Cost Allocation					
This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. State Controller fees will increase by \$500 and Office of Information Technology Services billings will increase by \$2,400, for a net increase of \$2,900.					
Agency Request	0.00	2,300	600	0	2,900
Governor's Recommendation	0.00	2,300	600	0	2,900
Change in Employee Compensation					
For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.					
Agency Request	0.00	15,700	3,700	0	19,400
<i>The Governor recommends a 2% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.</i>					
Governor's Recommendation	0.00	31,500	7,400	0	38,900
FY 2022 Total					
Agency Request	19.00	1,993,400	646,000	0	2,639,400
Governor's Recommendation	19.00	1,985,900	643,300	0	2,629,200
Agency Request					
Change from Original App	0.00	13,300	12,000	0	25,300
% Change from Original App	0.0%	0.7%	1.9%		1.0%
Governor's Recommendation					
Change from Original App	0.00	5,800	9,300	0	15,100
% Change from Original App	0.0%	0.3%	1.5%		0.6%